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Hearing Date: August 1, 2023
Hearing Time: 2:00 p.m.
Via Zoom for Government

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

SAMEH H. AKNOUK, DENTAL SERVICES P.C.,

Debtor.

Chapter 11
Case No. 22-11651 (MG)
Subchapter V

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**DEBTOR'S MOTION FOR AN ORDER AUTHORIZING THE DEBTOR TO OBTAIN
CREDIT PURSUANT TO 11 U.S.C. §362(c)(1) AND GRANTING RELATED RELIEF**

**TO: HONORABLE MARTIN GLENN
CHIEF UNITED STATES BANKRUPTCY JUDGE**

SAMEH H. AKNOUK, DENTAL SERVICES, P.C., the above-captioned debtor and debtor-in-possession ("Debtor"), by its attorneys, Kirby Aisner & Curley LLP, files this motion ("Motion") seeking entry of an order authorizing the Debtor to obtain credit and to enter into a financing agreement with Qwandy Radiology Inc. ("Lender", together with the Debtor, the "Parties") pursuant to §364(c)(1) of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (the "Bankruptcy Code"), Rules 4001 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 4001-2 of the Local Rules of the United States Bankruptcy Court Southern District of New York (the "Local Rules"), and granting related relief. In support of its Motion, the Debtor respectfully sets forth and alleges as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory basis for relief requested herein is §364(c)(1) of the Bankruptcy Code and Bankruptcy Rules 4001 and 9014, and Local Rule 4001-2.

BACKGROUND

3. On December 8, 2022 (the "Petition Date"), the Debtor filed a voluntary petition for relief under Subchapter V of Chapter 11 of the Bankruptcy Code (the "Chapter 11 Case").

4. The Debtor is currently in possession of its assets and management of its affairs as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

5. Yann Geron was duly appointed and qualified as Subchapter V Trustee. No examiner or official committee has been appointed heretofore.

6. The Debtor is a family owned and operating cosmetic and general dental practice located in the Bronx, New York.

7. The Debtor desires to expand the in-office services it offers to its patients by adding dental implant procedures. The addition of the procedures will generate additional income for the Debtor, the profits from which will inure to the benefit of the estate and its creditors.

8. In order to offer these services, the Debtor needs to purchase a specialized x-ray unit. After shopping around and obtaining several quotes from various dental radiology equipment providers, the Debtor has chosen to purchase the equipment, an *I-MAX 3D Cone Beam and 2D Panoramic X-Ray* unit (the "IMAX Unit"), from Lender.

9. The Debtor has conducted business with Lender for several years so the Parties have a pre-existing business relationship. It is because of this relationship that the Debtor was able to negotiate both a competitive purchase price and very desirable financing terms for the purchase of the IMAX Unit.

THE PROPOSED LOAN

10. Lender has agreed to extend the Debtor unsecured credit in the amount of Forty-Five Thousand Dollars (\$45,000), interest free, in order to purchase the IMAX Unit. In exchange for the proposed financing, the Debtor has agreed to remit eight (8) consecutive monthly payments to the Lender as follows: (i) \$10,000 upon delivery of the IMAX Unit; and (ii) seven (7) consecutive monthly payments in the amount of \$5,000/each.

REQUEST FOR AUTHORITY TO ENTER INTO POST-PETITION LOAN AGREEMENT

11. By this Motion, the Debtor requests approval of the proposed loan in accordance with the terms set forth above.

12. Section 364 (a) and (b) of the Bankruptcy Code provides as follows:

"(a) If the trustee is authorized to operate the business of the debtor under section of 1108, 1304, 1203, or 1204 of this title, unless the court orders otherwise, the trustee may obtain unsecured credit and incur unsecured debt in the ordinary course of business allowable under section 503(b)(1) of this title as an administrative expense.

(b) The court, after notice and a hearing, may authorize the trustee to obtain unsecured credit or to incur unsecured debt other than under subsection (a) of this section, allowable under section 503(b)(1) of this title as an administrative expense."

13. The Debtor and its undersigned counsel do not believe that the Debtor would be able to secure alternative financing on more favorable terms than proposed herein, as the Lender has agreed to advance the funds on an unsecured basis with a zero percent (0%) interest rate.

14. The Debtor's budget (the "Budget"), annexed hereto as **Exhibit A**, reflects the expected increase of income generated from the purchase of the IMAX Unit. The increased revenues will be in an amount sufficient to cover the debt service to the Lender with a net profit remaining which can and will be used to fund the Debtor's Chapter 11 plan.

15. In light of all of the foregoing, the Debtor respectfully submits that entering into the proposed loan is both necessary and in the best interests of the Debtor as well as all of the Debtor's creditors and its estate.

16. No prior request for the relief sought herein has been made heretofore.

NOTICE

17. Notice of this Motion has been provided to (i) Lender, (ii) Office of the United States Trustee; (iii) Yann Geron, Subchapter V Trustee, (iv) all of the Debtor's secured and unsecured creditors and any known counsel therefore, and (v) parties who have filed notices of appearance.

18. The Debtor respectfully submits that such notice is good and sufficient under the circumstances, and satisfies the requirements of Bankruptcy Rules 2002, 6004, and 6006.

WHEREFORE, the Debtor respectfully requests all of the relief sought in the within Motion, together with such other and further relief as is just and proper under the circumstances, for all of which no prior request has been made to this or any other Court.

Dated: Scarsdale, New York
July 13, 2023

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By: /s/ Jessica M. Hill
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